

## ELEMENTS FOR A MODEL OF ENTREPRENEURIAL SCHOOL FOR WOMEN IN RURAL AREAS OF ROMANIA

**Botezat Elena**

*Faculty of Economics, University of Oradea*

**Tarcza Teodora**

*Faculty of Economics, University of Oradea*

**Abstract:** Romanian mentality, especially in rural areas is deeply influenced by culture, literature and history of the Romanian people. This proves to be both adaptable and rooted in the old Romanian traditions and customs. In the last two decades, the transition from socialism to capitalism, modern society, the socio-economic development of the country has left strong impressions on the way of thought, expression and action of the Romanian people. Women in rural areas are no exception. As some groups of people interested in their development of social-economic scale, rural women are trying to adapt, to evolve, to overcome the barriers imposed at psychologically, socially and financially.

The paper highlights the results of a survey on a sample of 979 women students in the project "Entrepreneurship and Equal Opportunities. An inter-regional model for women entrepreneurial school "(AntrES acronym), which certified mediators intention to initiate their own business. The results of questionnaires have provided important information about the character, ambition, motivation, courage, and moral support and financial support to women entrepreneurs based in Romania, including those in rural areas. The information obtained in the intermediary "I shattered" 7 myths about starting a business in our country. Romanian entrepreneur spirit, women in rural areas in Romania is not only a manifestation of strong desire to improve living standards in financial terms, but rather an "effort" to improve and "beauty" of the individual, family, environment and society we belong!

In developed countries, at its home, female entrepreneurship is trying to reform, to seek new solutions to rethink the principles, to exercise imagination, to learn. Here, in Romania standard behavior still predominates. Female entrepreneurs are doing what everyone else in the same category does. The future however belongs to those who will opt diversity, surprise, excitement, personalization. How could this happen in the Romanian rural environment and take place in a sustainable way?

**Keywords:** antreprenoriat feminin, mentalitate românească, mediul rural, mituri, potențial

**Jel code:** M12, M52

### 1. Continuity and change in rural Romania

"The main feature of Romanian people is its gregarism, a condition imposed by the circumstances and traditions, no entrepreneurs come out from within the rural population, however exists a tradition of collective work, each aligning with what others do. From the perspective of the future, gregarism continued as such, can be fatal. Modern society requires individuality, consciousness of effort and personal sacrifice". (Radulescu-Motru in Malița C. M., 2010). Modernity entered the Romanian

society over 200 years, but has not profoundly changed economic and social life, especially in rural areas, the Romanian village. The continuous transition of Romanian society and especially the latter, the last 20 years, gave birth to a mosaic, a modern "type patch" without a clear dominant form. It is a modern trend, ie a type of modernity that affects only a certain part of society and is beneficial only to certain groups concerned with their economic and social condition. (Schifirneț, C., 2007, 2008). Romanian mentality is the result of survival

in a given area, seen as a drama in time - paraphrase by Patrick Geddes, who proposes the term "survey before action", ie the need for building action on a synergy between ecology, economics, politics and anthropology. Data collection should blend with the description, explanation, observation integrated into a systemic research, in which the mentality seems to occupy a central place as part of a unique spiritual model, specifically built over time, which determine the motivation for use of resources on a territory (area, central area, region). Romanian mentality, especially in rural areas shows a great capacity for adaptation and also versatility, a balance between idealism and fear, between the initiation of large projects and autoassertion of certain limits. In fact, Romanians have all the features, static distributed in the population, but what is evident is that they change according to circumstances, meaning they are adaptable (Malița, M., 2010; Draghicescu, D., 1995). *Adaptability*, as a intermediate soul structure between Western creative ability and Oriental passive resignation may mean evolution, intelligence, finesse, suppleness, as progress may mean cowardice, duplicity, cunning, superficial. (Ralea, in Malița M. M., 2010). There seems to be more obvious what Mihail Ralea says in his book in 1933, *Romanian Phenomenon*, that "progress towards modernity will never come from autochthon localism, but of Europeanization". "Romanianism, ie, what is particularly unique and Romanian, is not done, yet not coagulated, but with a bergsonian formula, is yet to be done. He's still that prospect that is questing, endeavouring itself "said Michael Ralea. This emerging trend is visible in many Romanian villages in western Romania, with new and modern homes, through various goods and crafts exposed along the road and especially by many rural firms who have found qualified and cheaper labour force, lower rents, lower taxes. In addition it seems to be some kind of reconciliation of the "house" with "work", after over 20 years,

during which millions of Romanian worked in Europe where they have adapted, were integrated and learned. Sometimes by bitter lessons, sometimes paying a price too high. Some have returned and are looking to do something, here at home, home being a state of mind rather than a specific location. Rural community, like all other social forms, is the result of six components: biological, moral, religious, aesthetic, economic and political (Braileanu, T., 2000). Migration of Romanians abroad was primarily due to financial reasons, poverty. What we need to say at this point, however, is that it talks about three types of poverty: "Poverty of goods and money (type I), moral poverty (mediocrity of social feelings, of the sense of family, of the love of nation, love for God and neighbor), which is a poor type II and poverty type III, the one in knowledge"(Daniel Bell Badescu, I., 2005). "The dominant mentality is that of trade and finances, which have created, trained and handled a consumption society, in which the citizen identity has been replaced with the credit card. There is no falsification of the human essence more bitter than the representation of man as a seeker of silver pots. He looks, indeed, other treasures, which ensure a dignified life and by merit earned through effort and wise strategy ... The crisis revealed the weakness, which requires time for healing and normalization". (Malița, M., 2010).

## **2.The research of entrepreneurial intentions of women in rural areas within the project AntrEs**

Between January 2009 and December 2010, was implemented by the University of Oradea Faculty of Economic Sciences as coordinator, the project "Entrepreneurship and Equal Opportunities. An inter-regional entrepreneurial school model for women "(acronym AntrES) strategic project financed by the European Social Fund, the key area of intervention "Promoting an entrepreneurial culture". The main objective of the project

was to promote equal opportunities for entrepreneurship by encouraging the involvement of women, in general, rural women, especially in the initiation and development of their business in the context of sustainable development of communities in the counties located along the western border of Romania (Bihor, Timis, Arad, Maramures, Caras-Severin, Satu-Mare). Among the specific objectives were enrolled: providing training to acquire expertise in business startup; active promotion of lifelong learning, promoting competitive spirit by awarding the best business plans, dissemination of best practices in entrepreneurship in order to develop sustainable communities in the counties located along the western border of Romania.

The study conducted between July 2010 and March 2011 followed the intentions of a number of 874 women - women business school graduates from rural areas of West Romania to start their own business.

Data were collected through a survey at the beginning and end of the Module I course - Starting a business, conducted between July-September 2010 by non-directed interviews and by the study of documents prepared within the project mentioned above.

The initial sample consisting of 979 women presented a series of characteristics retrieved synthetically as follows: average age is 35.47 years, 74.6% are married, two-thirds live in households with one or two children, 66% are employed and 84% did not initiate any deal so far. 43% of the total have undergraduate and graduate studies, almost 60% work for the state (public administration or education) and intends to open a business in trade - 32, 4% as expected in agriculture.

According to the latest data, the number of newly established businesses by the entrepreneurial business school graduates at the rural level is 88 (10% of graduates), as follows: Bihor - 18, Timis - 8, Arad - 12, Maramureş - 29, Caras-Severin - 9, Satu Mare - 12.

What factors have led these graduates to take action to overcome their fears and leave their habits? And especially what are the key elements on which an entrepreneurial school for rural Romanian women must be based to succeed?

In an attempt to provide a consistent answer to these questions, we will start from the results of the questionnaire analysis, questionnaire applied in the 72 rural centers of business school for women, to a total of 979 respondents:

- Question 1: What do you think are the chances to open a successful business? 12% of the respondents believe that the chances to open a successful business are high and 53% believe the chances are average;

- Question 2: What are the qualities you think a woman needs to open a business? Choice number 1 was: confidence, courage, optimism - for 184 respondents (18.79%); intelligence, intellectual resources - 130 respondents (13.27%); will and ambition - 128 respondents (13.07%);

- Question 3: Which is the reason you are willing to start a business? Responses were: the need to earn more - 46%, the desire for fulfillment - 33%, desire to have a higher social and professional status - 12%;

- Question 4: What support elements do you think are needed to start a business? 66.49% - financial and material resources, emotional support (family, friends, close) - 10.72%;

- Question 5: What do you think are the areas in which to start a successful business? Trade - 335 respondents (34.21%), tourism - 210 respondents (21.45%), other services - 118 respondents (12.05%);

- Question 6: How should labour be seen to succeed in business? A pleasure - 79%, a necessity - 9%, a duty - 8% non answers - 4%;

- Question 7: What is the factor which depends primarily on success in business? Courage / audacity - 30%; intelligence - lucidity - 23%; exercise capacity - 15%; socio-economic context - 13%; chance - 11%; imagination - 4%; non answers - 4%

The review of the results is shown below.

### **Seven myths dispelled**

*The first myth:* Second hand entrepreneurs do not take risks!

*Reality:* The entrepreneur may seem to the uninformed spectator strait-laced and conservative, but that does not mean that he is not prepared to engage boldly assuming significant risks. Like when you prepare to climb a high mountain, you can be fearful, but such a challenge puts the blood in motion and can generate a momentum and a huge effort. And something more: "the Romanian is more difficult to move and easier to stop. It does not seek immediate spectacular results, but other more subtle and profound". (Malița, M., 2010). The society within us, a product of the spirit of our times, puts his stamp on the limited, strait-laced of our thinking. "We all live in a very narrow cage, the spirit of our age in which we have very little freedom of movement. If in different ages, people have thought in different ways, not because it was due to expanded cage, but for the fact he was moved from place". (Szent-Györgyi, A., 1981).

*Second myth:* With the ability of an entrepreneur you have to be born!

*Reality:* Man is build, as a road as long as it is it starts with the first kilometer. In our opinion, even if someone does not seem to be an entrepreneur, he/she can become! There are no few recent examples populating the area of knowledge that we have access. "Life itself is what you want it to be" (Marcus Aurelius). To do this you first have to believe (strongly). "Transformation, real change always occurs from the inside out ... arising from work which toils at the roots, operating on our way of thinking, on the paradigms that define our character and create the lens through which we view the world (Stephen R. Covey)". Romania is trying to change the binding data and seeks to define objectives and methods that allow more suitable ways to promote the interests, of which the first is survival." (Malița, M., 2010).

*The third myth:* In business you enter to make money!

*Reality:* A professor of production management for a long time explains to his students the importance of "a job well done", until he was interrupted by a (bored) student who said (determined) "I do not want to make products, I want to make money ". The professor (calmly) asked: "And the money for what?". Contrary to popular saying, money brings happiness. *A kind of happiness.* One direct, material that is not rejected at all, or even a more subtle dependent on the holder person, most envied (the joy of giving). Poverty is far from being "a card" and has little to do with "honesty" (almost at all). Therefore we advocate for "wealthy and honest" and not for "poor and honest ". At the same time, with more conviction, we believe that continuing to work hard in a business where money is no longer a problem is something to be appreciated (very much). What is worth saying at this point is that the path to "having" (sparingly!) has many other items, ie determination. Obsession to make money seems to be a fairly sure way not to get them!

*Fourth myth:* In business you have no friends!

*Reality:* Is it all true that "the spirit of democratic capitalism, which led to development was to encourage individual, based on deep understanding that this is the main source of economic and social power (Novak, M. Ionescu Gh in Gh, 1997). But this is individualism? That crazy idea that "the world begins and ends with you", that you are enough? Not so, the existential model is quite different. Beyond having with what to live, you have to have something to live for. It is natural to pay special attention to our business, our goals, our ideas. But the result of an exclusive concentration on interests and selfish attitude of seeing the world as a whole and the people around us as tools used in our plans lead to counterproductive and disgraceful results. Key terms of today's economy, durability, in my view, female

entrepreneurship in rural areas of western Romania, refers primarily to the people!

*Fifth myth:* A successful business requires a great idea!

*Reality:* Setting up a business from such a conception may be a bad idea. Few businesses have been based on such an idea. In fact, some have been established simply based on an idea more simple, banal even while another group were raised from the ashes of failure. "the Romanian can not accept almost any event or program in a form which is given, or is required. The Romanian is realistic. He rates fiction, myths and legends he likes, but keeps his feet on the ground ". (Malița, M., 2010). We join the mathematician Grigore Moisil's opinion, that the logic is rather a nuanced reasoning in which thinking is evolving in a direction that includes, besides true and false or dubious value as possible, with possible and necessary.

*The sixth myth:* In business the most important thing is "to deal"!

*Reality:* Our view is that the vital question for an entrepreneur is not : "How well am I doing?" Or "How can I cope?" Or even "How well we handle ourselves to cope competition?" but "How can we make things better tomorrow than we did today? ". The history of a business is written by its people and their work is the special "ingredient" in the "magic formula" that "is to grow". "The Romanian undertakes all the action, if it has a real motivation." (Malița, M., 2010). Motivation is an emotional drive type, but with rational arguments. More strings must vibrate: ambition, rewards, influence, social position, reputation. But beyond these events rather selfish comes a heavy argument: "you are what you know to do".

*The Seventh Myth:* You have to be lucky to succeed in business!

*Reality:* Reflecting on the essence of success, J. Willard Marriott, wrote in his diary: "Discipline is the most important thing in the world. Where there is no discipline, there is no character. And with no character, there is

no progress ... problems gives us the chance to grow. And usually, we get the thing for which we worked. If it encounters obstacles and overcome them, we anneal our character and qualities that bring success". "Long term success of a business organization, is determined by three main factors: 1. good planning of various activities / actions, 2. a better implementation of various plans / strategies, 3. luck or that non-chance in a given context. " (But the chance never comes to an unprepared mind – o. n.) (Harrington & Harrington, 2001).

### **3.Preserving the essence and stimulate progress**

In our view, in rural areas, women have a real chance in the direction of setting up a business because "the village is the shrine where she took refuge and is kept living the manifestation of the Romanian people" (Dimitrie Gusti) including the preservation of moral values and skills necessary to create a complete product, in other words knowledge.

As Professor Allen Wilson, a biologist at UC Berkeley who has studied closely the behavior of birds, knowledge creation and dissemination of appropriate behaviour had to do with three basic elements: 1. mobility (the ability to move freely to learn and experience) 2. spread within the community (the ability to transfer from individual to community building communities of best practice), 3. innovation (the ability to develop new skills to take advantage of new knowledge in specific environmental conditions) (Hjelmervike Ove R., 2001). We have identified the existence of these elements in the rural areas of western Romania, including examples of adaptation between the most interesting. Adaptation, defining feature is based on the characteristic skills: *knowledge, information, experience, which can be put into use to create wealth and remain the same in any social environment*. Efficient use of knowledge, skills, abilities and cultural values of rural women towards encouraging female

entrepreneurship depends on public awareness that women, who prove to be more vulnerable, more exposed to "insolvency" are much more concerned than men on what she spends, what she earns for food, education and child and family health insurance (Brockhaus, R. & Horwitz, P., 1986 Miniti, M. & Naud, W. 2010). Despite many obstacles in the way of Romanian rural female entrepreneurship, we believe that it "is about to get done, although is still that prospect that is queesting, endeavouring itself" (Michael Ralea).

On the basis of this statement there are three important aspects:

- *the existence of a potential* consisting of knowledge, information and experience which can help achieve competitive products and services;
- *the ability of this potential* to transform in a number of operational elements, creating value, to be integrated into final products;
- *grafting this potential of adaptation* as a characteristic feature, which is a transformation, an adjustment, a location, a selection that you cannot do without having inside the affinity with what you choose. In our view, rural female entrepreneurship in Romania is not only something that is expressed in terms of improved incomes, the desire to avoid dependence on others or even better control of their lives but most of all, "a deed " that improves the person concerned and the world around them. It takes however a first generation of entrepreneurial skills to rehabilitate honest skill, science - and pride - to do what you do with virtue. Future will not mimic models but invent them!

## References

### Books

- 1.Brăileanu, T., *Teoria comunității morale*, București: Editura Albatros, 2000;
- 2.Brockhaus, R. & Horwitz, P., *Psychology of the entrepreneur*. In D. Sexton & R. Smilor (eds.), *The Art & Science of Entrepreneurship*, Cambridge: Ballinger, 25-48, 1986;

3.Chang, Ha-J., *23 de lucruri care nu ți se spun despre capitalism*, Iași: Editura Polirom, 2011;

4.Drăghicescu, D., *Din psihologia poporului român – Introducere*, București: Editura Albatros, 1995;

5.Dodescu Anca, Bădulescu Alina, Giurgiu Adriana, Pop Coșuț Ioana, *Antreprenoriatul feminin în Vestul României – încadrări teoretice și provocări concrete*, București: Editura Economica, 289-301, 2010;

6.Franklin B., *The Autobiography and Other Things*, New York: New American Library, 1961;

7.Gilder, G., *Welth and Poverty*, New York: Basic Books, 1981

8.Handy, Ch., (1994), *The Empty Raincoat*, Londra: Hutchinson, 1994;

9.Harrington H.J., Harrington J.S., *Management total*, București: Editura Teora, 2001;

10.Ionescu Gh., Gh., *Cultura afacerilor. Modelul american*, București: Editura Economica, 1997;

11.Malița, M., *Cumințenia pământului. Strategii de supraviețuire în istoria poporului român*, București: Editura Corint, 2010;

12.Maslow, A. H. *Motivație și personalitate*, București: Editura Trei, 2008;

13.Rădulescu-Motru, C., *Psihologia poporului român, antologie de Constantin Schifirneț*, București: Editura Albatros, 1999;

14.Schifirneț, C., *From Romanian Indigenous Modernization of Europeanization, Globalization and Policies of Development*, București: Ed. comunicare.ro 2007, pp.133-138;

15.Schifirneț, C., *Tendentioous Modernity and Innovation, Education, Research and Innovation*, București, Ed. comunicare.ro, 2008, pp.385-390;

16.Szent-Gyögyi, A., *Speech for Life*, Bucharest: Politica Publishinghouse, 1981;

17.Voicu, B., *Penuria post-modernă a postcomunismului românesc*, Iași: Editura Expert Projects, 2005;

18.Zamfir, C., *Incertitudinea – o perspectivă psihosociologică in Zamfir, C., Spre o*

*paradigmă a gândirii sociologice*, Iași: Editura Cantes, 1999, pp. 327-364.

#### **Articles /On-line magazines articles**

1. Bădescu, I., *Demopolitica în Occident, în Europa Centrală și în Eurasia*, în Revista de Geopolitică, nr. 1(5), an IV, (2005);
2. Botezat, E., Women's Business Potential from the Western Part of Romania, Paper at 5<sup>th</sup> WSEAS International Conference on Economy and Management Transformation (EMT'10), (2010), 597-604, <http://www.wseas.us/conferences/2010/timisoara2/emt/program.htm>
3. Botezat, E., Learning Women from Western Part of Romania Business. An Empirical Approach, International Journal of Education and Information, Issue 2, Volume 5, (2011), 258-261, <http://www.naun.org/journals/educationinformation/19-782.pdf>
4. Carsrud, A., Olm, K. & Eddy, G., *Entrepreneurs-mentors, networks & successful*

*new venture development: an exploratory study*. American Journal of Small Business, (1987) 12:13-18;

5. Hjelmervike Ove R., Innovation in the knowledge-based economy. A process model for knowledge creation and sharing, Paper at OECD High-Level Forum on Knowledge Management, February 8-9, Copenhagen, (2001);

6. Ionescu, Gh., Gh., Cultural Caryatides of the Romanians Business Potential, The Romanian Journal of Business Ethics, Vol. 1, October, (2007);

7. Ionescu, Gh., Gh., Women in Business, a Cross Cultural Approach, The Romanian Journal of Business Ethics, Vol. 2, April, (2008);

8. Tsuya, N. & Mason K., Changing Gender Roles and Below-Replacement Fertility in Japan, Paper at IUSSP Seminar on Gender and Family Change in Industrialized Countries, Rome, Italy, (1992).